

News

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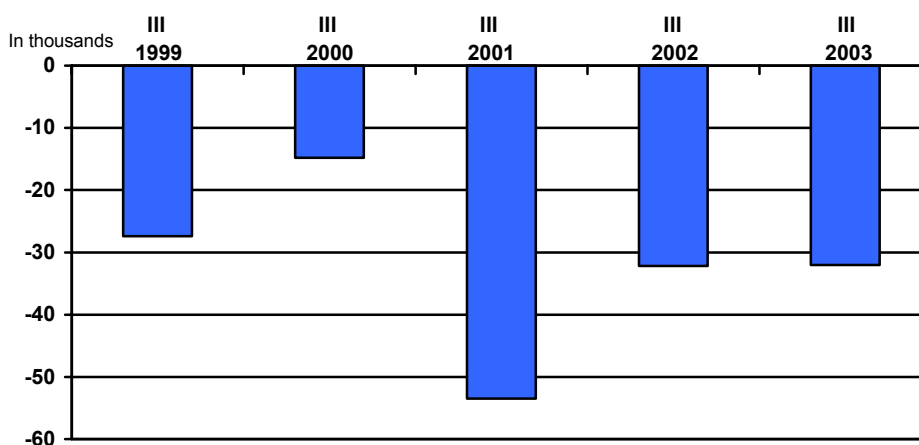
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TEXTILE MILL EMPLOYMENT: THIRD QUARTER 2003

Textile mill employment declined by 32,000 in the United States between the third quarter 2002 and 2003, approximately the same number as were lost for the same time period in the previous year, according to the Bureau of Labor Statistics of the U.S. Department of Labor. Regional Commissioner Sheila Watkins noted that employment in textile mills stood at 260,900 in the third quarter, almost 11 percent fewer than the year before. Employment declined by 14,600 jobs in the quarter, a higher loss than in the same period in 2002 (-3,300), but less than during the 2001 recession when job losses in the third quarter totaled -17,800. (All data in this release are not seasonally adjusted.) (See chart A.)

Chart A. Textile mill employment, over-the-year net change, quarterly averages



Textile mill employment by state

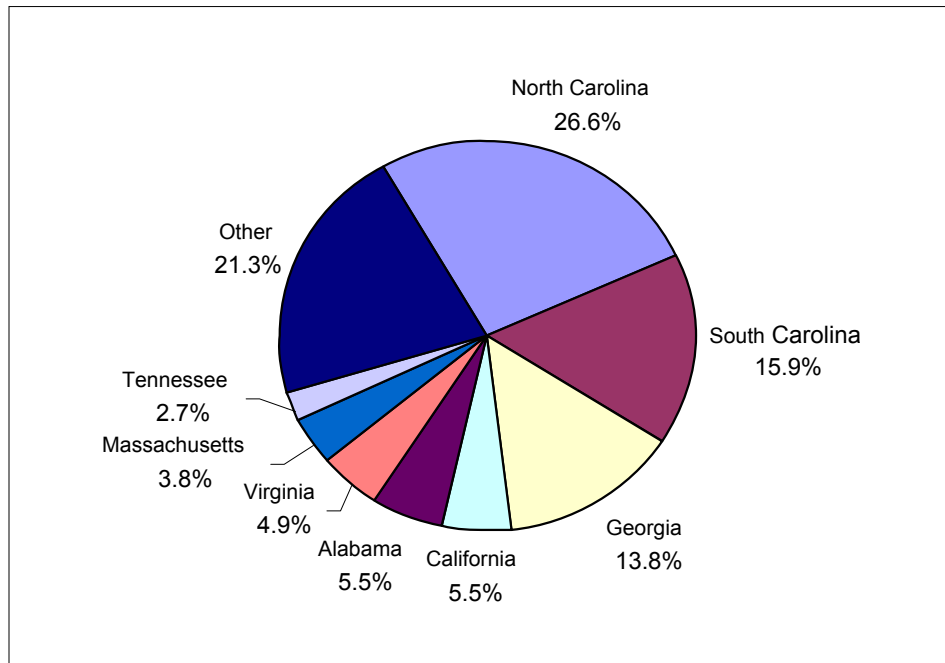
The eight states reporting employment in textile mills accounted for 79 percent of the industry total in the third quarter 2003. Three of these—North Carolina, South Carolina and Georgia—employed more than half of the workers in this industry. The majority of these “textile” states were clustered in the South¹ region. Only Massachusetts in the Northeast and California in the West fell outside of this grouping. Regardless of a state’s geographic location, all eight recorded over-the-year job declines in the third quarter 2003 ranging from less than 1,000 in California, Massachusetts, and Tennessee to more than 11,000 in North Carolina. (See table A.)

¹ There are four geographic regions in the United States as defined by the U.S. Census Bureau: Northeast, South, Midwest and West.

Table A. Net change and percent change in textile plant employment for the United States and selected states, quarterly averages
(Numbers in thousands)

Area	III quarter 2002	III quarter 2003	III quarter 2002 – III quarter 2003	
			Net change	Percent change
United States	292.9	260.9	-32.0	-10.9
Alabama	15.8	14.4	-1.4	-8.9
California	15.1	14.4	-0.7	-4.6
Georgia	38.3	35.9	-2.4	-6.3
Massachusetts	10.3	9.9	-0.4	-3.9
North Carolina	80.4	69.3	-11.1	-13.8
South Carolina	45.3	41.6	-3.7	-8.2
Tennessee	7.6	7.1	-0.5	-6.6
Virginia	15.1	12.8	-2.3	-15.2

Chart B. Textile mill employment for selected states, percent distribution, third quarter 2003



Two states had double-digit percentage decreases in textile employment over the year. Virginia recorded a 15.2 percent drop in its job count, while North Carolina reported a 13.8 percent decline in employment. Declines in the other states fell below the 10.9-percent pace set nationally, though most registered decreases of at least 6.0 percent, the exceptions being California (-4.6 percent) and Massachusetts (-3.9 percent). North Carolina, which has the largest number of textile mill workers in the nation, saw its share of the total drop slightly over the year—from 27.4 percent in the third quarter 2002 to 26.6 percent in 2003. Despite employment losses in North Carolina, the three largest states—Georgia, North Carolina, and South Carolina—increased their share of the declining industry by 0.3 percentage point over the year to 56.3 percent.

The quarterly release of Textile Mill Employment (formerly known as Textile Plant Employment in the Southeast) has been expanded to include other states with sizeable job counts in the industry outside of this geographic area. Also, the nonfarm payroll series for states produced by the Current Employment Statistics (CES) program has converted from the 1987 Standard Industrial Classification (SIC) system to the 2002 North American Industry Classification System (NAICS). Employment in this report refers to industries classified under NAICS subsector code 313. Data are compiled by state employment security agencies in cooperation with the Bureau of Labor Statistics.

Technical Note

Effective with this release, the nonfarm payroll series for states and metropolitan areas produced from the Current Employment Statistics (CES) program have been converted from a 1987 Standard Industrial Classification (SIC) system basis to a 2002 North American Industry Classification System (NAICS) basis. NAICS is the product of a cooperative effort on the part of the statistical agencies of the United States, Canada, and Mexico. NAICS uses a production-oriented approach to categorize economic units. Units with similar production processes are classified in the same industry. NAICS focuses on how products and services are created, as opposed to the SIC focus on what is produced. This approach yields significantly different industry groupings than those produced by the SIC approach. Consequently, the NAICS-based data by industry are not comparable with the previously published SIC-based data; SIC-based data series are no longer being produced or published. See <http://www.bls.gov/sae/saenaics.htm> for complete information on the conversion of the CES state and area data to NAICS. Also, see <http://www.bls.gov/sae/saewhatis.htm> for an overview of NAICS classification and its differences from the SIC system. All state nonfarm payroll employment estimates have a NAICS-based history extending back to January 1990, except for total nonfarm employment estimates which have retained their beginning date.

In addition, the nonfarm payroll data series reflect March 2002 benchmark levels, the completion of the conversion of the CES survey sample from a quota-based basis to a probability-based basis, and a modification of the seasonal adjustment process.

Definitions. Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2002 version of the North American Industry Classification System.

Average weekly hours and average hourly earnings. With the publication of the January 2003 data, average weekly hours and average hourly earnings are no longer available for the textile industry for some states due to changes in sample requirements.

Method of estimation. The employment data are estimated using a "link relative" technique in which a ratio (link relative) of current-month employment to that of the previous month is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are obtained by multiplying the estimates for the previous month by these ratios.

Annual revisions. Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports which are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

Caution on aggregating state data. State estimation procedures are designed to produce accurate data for each individual state. BLS independently develops a national employment series; state estimates are not forced to sum to national totals. Because each state series is subject to larger sampling and nonsampling errors than the national series, summing them cumulates individual state level errors and can cause significant distortions at an aggregate level. Due to these statistical limitations, BLS does not compile a "sum-of-states" employment series, and cautions users that such a series is subject to a relatively large and volatile error structure.

Reliability of the estimates. The estimates presented in this release are based on sample survey and administrative data and thus are subject to sampling and other types of errors. Sampling error is a measure of sampling variability--that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those that can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the special estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

Additional information

More complete information on the technical procedures used to develop these estimates and additional data appear in Employment and Earnings, which is available by subscription for \$50.00 a year from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (telephone 202-512-1800), and from the BLS Handbook of Methods, Bulletin 2490, August 1997. Employment data from the CES program are available at <http://www.bls.gov/sae/>. Employment data and other information are available on the Mid-Atlantic Information Office homepage (<http://www.bls.gov/ro3/home.htm>) and on the Mid-Atlantic fax-on-demand system at (215) 597-4153. Additional questions can be directed to the Mid-Atlantic BLS information office in Philadelphia by e-mail at BLSinfoPhiladelphia@bls.gov or by dialing (215) 597-3282. Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

Data may also be obtained from the following cooperative state agencies.

<u>Agency</u>	<u>Telephone</u>
Alabama Department of Industrial Relations	334-242-8859
California Employment Development Department	916-262-2160
Georgia Department of Labor	404-232-3875
Massachusetts Division of Employment and Training	617-626-6556
North Carolina Employment Security Commission	919-733-2936
South Carolina Employment Security Division	803-737-2660
Tennessee Department of Labor and Workforce Development	615-741-2284
Virginia Employment Commission	804-786-7496

Table 1. Textile plant employment for the United States and selected states 2002-2003, not seasonally adjusted**(Numbers in thousands)**

Area	2002							
	April	May	June	II quarter average	July	Aug	Sept	III quarter average
United States	296.6	295.9	296.0	296.2	293.1	293.4	292.1	292.9
Alabama	16.2	16.0	15.9	16.0	15.8	15.9	15.8	15.8
California	15.4	15.4	15.4	15.4	15.4	15.0	14.9	15.1
Georgia	41.6	41.7	41.7	41.7	38.3	38.3	38.3	38.3
Massachusetts	11.0	10.9	10.9	10.9	9.9	10.5	10.5	10.3
North Carolina	81.9	81.5	81.7	81.7	80.5	80.7	80.1	80.4
South Carolina	45.2	45.4	45.4	45.3	45.2	45.3	45.3	45.3
Tennessee	8.6	8.5	8.5	8.5	7.5	7.6	7.6	7.6
Virginia	15.7	15.7	15.6	15.7	15.2	15.2	15.0	15.1

Area	2002				2003			
	Oct	Nov	Dec	IV quarter average	Jan	Feb	Mar	I quarter average
United States	287.8	286.4	284.1	286.1	283.6	281.7	281.7	282.3
Alabama	15.8	15.5	15.3	15.5	15.8	15.4	15.5	15.6
California	14.6	14.7	14.5	14.6	14.3	14.5	14.7	14.5
Georgia	38.3	37.8	37.9	38.0	38.1	38.1	38.0	38.1
Massachusetts	10.4	10.3	10.2	10.3	10.1	10.1	10.1	10.1
North Carolina	80.1	79.5	78.5	79.4	79.1	78.1	78.3	78.5
South Carolina	44.9	44.7	44.7	44.8	44.2	43.7	43.9	43.9
Tennessee	7.4	7.4	7.4	7.4	7.3	7.3	7.3	7.3
Virginia	14.8	14.8	14.7	14.8	14.5	14.5	14.4	14.5

Area	2003							
	April	May	Jun	II quarter average	July	Aug	Sept (p)	III quarter average (p)
United States	278.5	274.4	273.7	275.5	263.5	260.3	259.0	260.9
Alabama	15.6	15.4	15.1	15.4	15.0	13.6	14.6	14.4
California	14.8	14.7	14.7	14.7	14.6	14.3	14.3	14.4
Georgia	37.1	35.3	36.6	36.3	36.0	36.0	35.8	35.9
Massachusetts	10.1	10.2	10.1	10.1	9.9	9.8	9.9	9.9
North Carolina	76.9	75.8	74.8	75.8	70.6	69.2	68.1	69.3
South Carolina	43.8	43.5	42.7	43.3	42.2	41.5	41.1	41.6
Tennessee	7.3	7.2	7.3	7.3	7.1	7.1	7.1	7.1
Virginia	14.2	13.8	13.8	13.9	12.6	12.9	12.9	12.8

p=preliminary.